

Billing Code: 5001-06

## **DEPARTMENT OF DEFENSE**

Office of the Secretary

(Transmittal No. 15-78)

36(b)(1) Arms Sales Notification

**AGENCY:** Department of Defense, Defense Security Cooperation Agency.

**ACTION:** Notice.

**SUMMARY:** The Department of Defense is publishing the unclassified text of a section 36(b)(1) arms sales notification. This is published to fulfill the requirements of section 155 of Public Law 104-164 dated July 21, 1996.

FOR FURTHER INFORMATION CONTACT: Sarah A. Ragan or Heather N. Harwell,

DSCA/LMO, (703) 604-1546/ (703) 607-5339.

The following is a copy of a letter to the Speaker of the House of Representatives,

Transmittal 15-78 with attached Policy Justification.

Dated: November 25, 2015.

Aaron Siegel, Alternate OSD Federal Register Liaison Officer, Department of Defense.



#### DEFENSE SECURITY COOPERATION AGENCY 201 127H STREET SOUTH, STE 203 ARLINGTON, VA 22202-6408

The Honorable Paul D. Ryan Speaker of the House U.S. House of Representatives Washington, DC 20515

NOV 0 4 2015

Dear Mr. Speaker:

Pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, as amended, we are forwarding herewith Transmittal No. 15-78, concerning the Department of the Army's proposed Letter(s) of Offer and Acceptance to the Government of Lithuania for defense articles and services estimated to cost \$599 million. After this letter is delivered to your office, we plan to issue a news release to notify the public of this proposed sale.

Sincerely,

J. W. Rixey
Vice Admiral, USN

Director

### Enclosures:

- 1. Transmittal
- 2. Policy Justification
- 3. Sensitivity of Technology



## Transmittal No. 15-78

# Notice of Proposed Issuance of Letter of Offer Pursuant to Section 36(b)(1) of the Arms Export Control Act, as amended

(i) <u>Prospective Purchaser</u>: Lithuania

(ii) <u>Total Estimated Value:</u>

Major Defense Equipment\* \$ 462 million
Other \$ 137 million
TOTAL \$ 599 million

(iii) <u>Description</u> and <u>Quantity</u> or <u>Quantities</u> of <u>Articles</u> or <u>Services</u> under <u>Consideration</u> for <u>Purchase</u>:

## Major Defense Equipment (MDE):

Eighty-four (84) M 1126 Stryker Infantry Carrier Vehicles (ICV) with the ATK 30mm cannon, the XM813 30mm cannon, or a European variant with the Remote Weapon Station

Eighty-four (84) M2 Flex Machine Guns

Also included are the following non-MDE: ICV-30 package including contractor logistics support, support equipment, spare parts, armaments, two (2) AN/PRC-152 Radios per vehicle, one (l) AN/PSN-13 DAGR per vehicle, one (l) VIC-3 per vehicle, training aids/devices/simulators & simulations (TADSS), translated technical manuals with laptop computers, training, Foreign Service Representatives (FSRs), OCONUS Contractor vehicle deprocessing services and technical assistance.

- (iv) Military Department: U.S. Army (UDL)
- (v) Prior Related Cases, if any: None
- (vi) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid: None
- (vii) <u>Sensitivity of Technology Contained in the Defense Article or Defense Services</u> <u>Proposed to be Sold</u>: See Attached Annex
- (viii) Date Report Delivered to Congress: 04 NOV 2015

<sup>\*</sup> as defined in Section 47(6) of the Arms Export Control Act.

## POLICY JUSTIFICATION

<u>Lithuania - M 1126 Stryker Infantry Carrier Vehicles (ICY) with 30mm cannon</u> and M2 Machine Guns, and Related Support Equipment

The Government of Lithuania has requested a sale of eighty-four (84) M 1126 Stryker Infantry Carrier Vehicles (ICV) with the ATK 30mm cannon, the XM813 30mm cannon or a European variant with the Remote Weapon Station and eighty-four (84) M2 Flex Machine Guns. Additionally, they have requested the ICV-30 package, including contractor logistics support, support equipment, spare parts, armaments, two (2) AN/PRC-152 Radios per vehicle, one (l) AN/PSN-13 DAGR per vehicle, one (l) VIC-3 per vehicle, training aids/devices/simulators & simulations (TADSS), translated technical manuals with laptop computers, training, Foreign Service Representatives (FSRs), OCONUS Contractor vehicle deprocessing services and technical assistance. The total estimated value of MDE is \$462 million. The overall total estimated value is \$599 million.

This proposed sale will contribute to the foreign policy and national security of the United States by helping to improve the security of a NATO ally.

Lithuania's acquisition of the Stryker ICV system would represent a major advancement in capability for the Lithuanian Land Forces, filling a vital capability gap that is not currently addressed. The Stryker ICV system would provide maneuverability, speed, and firepower to the Lithuanian Land Forces and enhance Lithuania's ability to contribute to territorial defense and NATO and coalition operations. Lithuania will have no difficulty absorbing this equipment into its armed forces.

The proposed sale of this equipment and support will not alter the basic military balance in the region.

The principal contractor is unknown at this time. There are no known offset agreements proposed in connection with this potential sale.

Implementation of this proposed sale will require up to 30 U.S. Government or contractor representatives to travel to Lithuania. It is estimated that it will take up to 30 personnel to execute the managing, fielding, training, initial establishment of spare storage and maintenance facilities, and the execution of maintenance over a two-year period, beginning with the first fielding of vehicles.

There will be no adverse impact on U.S. defense readiness as a result of this proposed sale.

#### Transmittal No. 15-78

# Notice of Proposed Issuance of Letter of Offer Pursuant to Section 36(b)(1) of the Arms Export Control Act, as amended

Annex Item No. vii

#### Sensitivity of Technology: (vii)

- 1. The following Major Defense Equipment items do not contain any sensitive technologies or classified material: 84 Ml 126 Stryker Infantry Carrier Vehicles (ICV) with the ATK 30mm cannon, the XM813 30mm cannon or a European variant with Remote Weapons Station and M2 Flex Machine Guns.
- 2. The following Non-Major Defense Equipment items that contain sensitive technologies, but no classified material: support equipment (COMSEC radios and GPS DAGRS). Lithuania is cleared to receive these items. The following Non-Major Defense Equipment items do not contain any sensitive technologies or classified material: Contractor Logistics Support, spare parts, Armaments, Command and Control Communications Computers Intelligence Surveillance and Reconnaissance, Training Aids/ Devices/Simulators & Simulations (TADSS), translated technical manuals with laptop computers, training, Foreign Service Representatives, Outside Continental United States Contractor vehicle deprocessing services, and Technical Assistance.
- 3. A determination has been made that the recipient country can provide the same degree of protection for the sensitive technology being released as the U.S. Government.
- 4. This sale is necessary in furtherance of the U.S. foreign policy and national security objectives outlined in the Policy Justification. Moreover, the benefits derived from this sale, as outlined in the Policy Justification, outweigh the potential damage that could result is the sensitive technology were revealed to unauthorized persons.
- 5. All defense articles and services listed in this transmittal have been authorized for release and export to the Government of Lithuania.

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